

## § 746.5

## 15 CFR Ch. VII (1–1–15 Edition)

(d) The Secretary of State has designated North Korea as a country the government of which has repeatedly provided support for acts of international terrorism. For anti-terrorism controls, see Section 742.19 of the EAR.

(e) OFAC maintains controls on certain transactions involving persons subject to U.S. jurisdiction and North Korean entities or any specially designated North Korean national.

[72 FR 3725, Jan. 26, 2007, as amended at 72 FR 20223, Apr. 24, 2007; 79 FR 32625, June 5, 2014]

### § 746.5 Russian industry sector sanctions.

(a) *License requirements*—(1) *General prohibition*. As authorized by Section 6 of the Export Administration Act of 1979, a license is required to export, re-export or transfer (in-country) any item subject to the EAR listed in supplement No. 2 to this part and items specified in ECCNs 0A998, 1C992, 3A229, 3A231, 3A232, 6A991, 8A992, and 8D999 when you know that the item will be used directly or indirectly in exploration for, or production of, oil or gas in Russian deepwater (greater than 500 feet) or Arctic offshore locations or shale formations in Russia, or are unable to determine whether the item will be used in such projects. Such items include, but are not limited to, drilling rigs, parts for horizontal drilling, drilling and completion equipment, subsea processing equipment, Arctic-capable marine equipment, wireline and down hole motors and equipment, drill pipe and casing, software for hydraulic fracturing, high pressure pumps, seismic acquisition equipment, remotely operated vehicles, compressors, expanders, valves, and risers. You should be aware that other provisions of the EAR, including parts 742 and 744, also apply to exports and reexports to Russia. License applications submitted to BIS under this section may include the phrase “section 746.5” in Block 9 (Special Purpose) in supplement No. 1 to part 748.

(2) *Additional prohibition on those informed by BIS*. BIS may inform persons, either individually by specific notice or through amendment to the EAR, that a license is required for a specific export, reexport or transfer (in-country) or for

the export, reexport, or transfer (in-country) of specified items to a certain end-user, because there is an unacceptable risk of use in, or diversion to, the activities specified in paragraph (a)(1) of this section in Russia. Specific notice is to be given only by, or at the direction of, the Deputy Assistant Secretary for Export Administration. When such notice is provided orally, it will be followed by a written notice within two working days signed by the Deputy Assistant Secretary for Export Administration. However, the absence of any such notification does not excuse persons from compliance with the license requirements of paragraph (a)(1) of this section.

(b) *Licensing policy*. Applications for the export, reexport or transfer (in-country) of any item that requires a license for Russia will be reviewed with a presumption of denial when for use directly or indirectly for exploration or production from deepwater (greater than 500 feet), Arctic offshore, or shale projects in Russia that have the potential to produce oil.

(c) *License exceptions*. No license exceptions may overcome the license requirements set forth in this section, except License Exception GOV (§ 740.11(b)).

[79 FR 45680, Aug. 6, 2014, as amended at 79 FR 55615, Sept. 17, 2014]

### § 746.6 [Reserved]

### § 746.7 Iran.

The Treasury Department’s Office of Foreign Assets Control (OFAC) administers a comprehensive trade and investment embargo against Iran. This embargo includes prohibitions on exports and certain reexport transactions involving Iran, including transactions dealing with items subject to the EAR. These prohibitions are set forth in OFAC’s Iranian Transactions Regulations (31 CFR part 560). In addition, BIS maintains licensing requirements on exports and reexports to Iran under the EAR as described in paragraph (a)(1) of this section or elsewhere in the EAR (*See, e.g.*, § 742.8—Anti-terrorism: Iran).

(a) *License Requirements*—(1) *EAR license requirements*. A license is required under the EAR to export or reexport to Iran any item on the CCL containing a

CB Column 1, CB Column 2, CB Column 3, NP Column 1, NP Column 2, NS Column 1, NS Column 2, MT Column 1, RS Column 1, RS Column 2, CC Column 1, CC Column 2, CC Column 3, AT Column 1 or AT Column 2 in the Country Chart Column of the License Requirements section of an ECCN or classified under ECCNs 0A980, 0A982, 0A983, 0A985, 0E982, 1C355, 1C395, 1C980, 1C981, 1C982, 1C983, 1C984, 2A994, 2D994, 2E994, 5A001.f.1, 5A980, 5D001 (for 5A001.f.1 or for 5E001.a (for 5A001.f.1, or for 5D001.a (for 5A001.f.1))), 5D980, 5E001.a (for 5A001.f.1, or for 5D001.a (for 5A001.f.1)) or 5E980.

(2) *BIS authorization.* To avoid duplication, exporters or reexporters are not required to seek separate authorization from BIS for an export or reexport subject both to the EAR and to OFAC's Iranian Transactions Regulations. Therefore, if OFAC authorizes an export or reexport, such authorization is considered authorization for purposes of the EAR as well. Transactions that are not subject to OFAC regulatory authority may require BIS authorization.

(b) *Licensing Policy.* Applications for licenses for transactions for humanitarian reasons or for the safety of civil aviation and safe operation of U.S.-origin aircraft will be considered on a case-by-case basis. Licenses for other purposes generally will be denied.

(c) *License Exceptions.* No license exceptions may be used for exports or reexports to Iran.

(d) *EAR Anti-terrorism controls.* The Secretary of State has designated Iran as a country that has repeatedly provided support for acts of international terrorism. Anti-terrorism license requirements and licensing policy regarding Iran are set forth in § 742.8 of the EAR.

(e) *Prohibition on exporting or reexporting EAR items without required OFAC authorization.* No person may export or reexport any item that is subject to the EAR if such transaction is prohibited by the Iranian Transactions Regulations (31 CFR part 560) and not authorized by OFAC. The prohibition of this paragraph (e) applies whether or not the EAR requires a license for the export or reexport.

[74 FR 2358, Jan. 15, 2009, as amended at 77 FR 39369, July 2, 2012; 78 FR 37383, June 20, 2013]

#### § 746.8 [Reserved]

#### § 746.9 Syria.

Sections 5(a)(1) and 5(a)(2)(A) of the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003 (Pub. L. 108-175, codified as a note to 22 U.S.C. 2151) (the SAA) require a prohibition on the export to Syria of all items on the Commerce Control List (in 15 CFR part 774) (CCL) and a prohibition on the export to Syria of products of the United States, other than food and medicine. The President also exercised national security waiver authority pursuant to Section 5(b) of the SAA for certain transactions. The provisions in this section were issued consistent with Executive Order 13338 of May 11, 2004 which implemented the SAA.

(a) *License requirements.* A license is required for the export or reexport to Syria of all items subject to the EAR, except food and medicine classified as EAR99 (food and medicine are defined in part 772 of the EAR). A license is required for the "deemed export" and "deemed reexport," as described in § 734.2(b) of the EAR, of any technology or source code on the Commerce Control List (CCL) to a Syrian foreign national. "Deemed exports" and "deemed reexports" to Syrian foreign nationals involving technology or source code subject to the EAR but not listed on the CCL do not require a license.

(b) *License Exceptions.* No License Exceptions to the license requirements set forth in paragraph (a) of this section are available for exports or reexports to Syria, except the following:

(1) TMP for items for use by the news media as set forth in § 740.9(a)(9) of the EAR,

(2) GOV for items for personal or official use by personnel and agencies of the U.S. Government as set forth in § 740.11(b)(2) of the EAR,

(3) TSU for operation technology and software, sales technology, and software updates pursuant to the terms of § 740.13(a), (b), or (c) of the EAR,

(4) BAG for exports of personally-owned items by individuals leaving the United States as personal baggage pursuant to the terms of § 740.14(a) through (d), only, of the EAR, and